



Mayor Steven M. Fulop

**Department of Housing,
Economic Development & Commerce**

**Carmen Gandulla, Director
Division of Community Development**

October 30th 2018

**2019 – 2020
HUD Entitlement
Orientation
&
Technical Assistance**

**WIFI: division
Password: stpeters**



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October 30th 2018

**2019 – 2020
HUD Entitlement Orientation**

**Breakout Session:
First Time Applicants**

Community Development Block Grant (CDBG)

Community Services Block Grant (CSBG)

Emergency Solutions Grant (ESG)

Housing Opportunities for Persons With AIDS (HOPWA)

HOME Investment Partnerships (HOME)

Affordable Housing Trust Fund (AHTF)

Overview

I. Grant Overview

- Background Information
- Eligible/Ineligible Grant Activities
- Eligible Beneficiaries
- Funding Availability

II. How to Apply

- Grant Term and Due Date
- Zoomgrant Library Section

III. Review Criteria

- Threshold Review
- Additional Requirements for Proposals

IV. Evaluation and Scoring Process

V. Next Steps

- Post Award

Community Development Block Grant – Public Services (CDBG –PS):

**Background Information
Eligible Activities & Costs
Eligible Beneficiaries
Funding Availability**

CDBG Background Information

Community Development Block Grant

Goals:

- Provide decent, safe, and sanitary housing
- Provide a suitable living environment
- Expand economic opportunities

National Objectives:

- LMI Benefit
- Slum/Blight
- Urgent Need

CDBG Programs:

- Public Facilities
- **Public Services**
- Relocation (URA)
- **Economic Development**
- Home Improvement Program (HIP)

Eligible Activities – Public Services

CDBG regulations allow the use of grant funds for a wide range of public service activities, including, but not limited to:

- Homeless Services
- Senior and Disabled Services
- Employment (job training)
- Crime Prevention
- Child Care
- Health Care Services
- Education Programs (life skills, etc..)
- Public Safety Services
- Youth Services
- Domestic Violence and Child Abuse Services
- Substance Abuse Services (e.g., counseling and treatment)
- Fair Housing Services Activities (Counseling)
- Recreational Programs

*Public Services programs not previously funded must be new or have an expanded level of service.

Eligible Costs vs. Ineligible Costs

Eligible Costs

- Labor
- Supplies
- Space Costs
- Materials and supplies
- Other Costs

Ineligible Costs

- Income payments
- Political Activities
- Taxes
- Tips
- Fundraising
- Legal expenses
- Items NOT listed in approved contractual budget

Eligible Beneficiaries – Public Services

**Funds must
Benefit Low &
Moderate Income
Persons**

All persons served must be residents of Jersey City.
Non-residents cannot be served with these funds.

Limited Clientele:

1. At least 51% of clientele served must be <80% AMI
2. Funds must benefit a clientele who are generally presumed to be principally low/mod income persons. Presumed Benefit-DV victims, homeless, persons living with AIDS, elderly, disabled, abused children, illiterate persons, migrant farm workers

Programs are also required to report clientele served who fall below 50% median and 30% median income.

CDBG

Economic Development for Public Service

Economic Development

Qualify for Micro Enterprise when

How to Qualify for Economic Development Public Service?

A Economic Development qualification is when:

1. A business with five (5) or fewer employees and one or more of them own the Business
2. Business owners are themselves low-moderate income persons
3. The CDBG assistance provided meets the limited clientele category up to a three (3) year period beginning with the first program year the business owners received CDBG assistance.

Economic Development

JOBS CREATED/RETAINED

JOBS CREATED/RETAINED

- ✓ Officials and Managers
- ✓ Professional
- ✓ Technicians
- ✓ Sales
- ✓ Office and Clerical
- ✓ Crafted Workers
- ✓ Operatives
- ✓ Laborers
- ✓ Services Workers

All persons served must be residents of Jersey City.

1. At least 51% held or available
2. Permanent Jobs
3. Seasonal Jobs count only if employee is their long enough to consider principal occupation
4. Spin-off jobs do not apply

Documentation is essential

Funding Availability & Additional Requirements

Community Development Block Grant (CDBG)	\$5,000,000
15% allocated for CDBG-PS	\$750,000

Funding Subject to change based on final HUD allocation



BUDGET INFORMATION

Funds must be used for
Direct Service.
**Administrative costs
are prohibited.**



Admin Costs refer to:

- ✓ Board Development
- ✓ Executive Director functions
- ✓ Accounting
- ✓ Budgeting
- ✓ Personnel Procurement
- ✓ Legal Services

Community Service Block Grant(CSBG):

Background Information

Eligible Activities

Eligible Beneficiaries

Funding Availability

CSBG Background Information

Community Services Block Grant –

Goals:

1. Increase Self Sufficiency
2. Improve living conditions
3. Ownership of and pride in communities
4. Strong family and support systems

National Objectives:

1. Lessen poverty
2. LMI Benefit / Homeless / Elderly
3. Urgent Need

CSBG Grants:

- Authorized under the U.S. Department of Health and Human Services – DCA
- Provide funds to alleviate the causes and conditions of poverty in communities

Eligible Activities – CSBG

CSBG allows the use of grant funds for a wide range of public service activities, including, but not limited to:

- Housing
- Counseling
- Child Care
- Health
- Conflict Resolution
- Education
- Nutrition
- Social Services
- Information and Referral
- Employment and Training Development

***Programs not previously funded must be new or have an expanded level of service.**

Eligible Costs vs. Ineligible Costs

Eligible Costs

- Labor
- Supplies
- Space Costs
- Materials and supplies
- Other Costs

Ineligible Costs

- Income payments
- Political Activities
- Taxes
- Tips
- Fundraising
- Legal expenses
- Items NOT listed in approved contractual budget

Eligible Beneficiaries – CSBG

Funds must
Benefit Low
Income Persons
<125% Federal
poverty
guidelines

All persons served must be residents of Jersey City.
Non-residents cannot be served with these funds.


Limited Clientele:

1. 100% clientele served must meet federal poverty guidelines established by U.S. Department of HHS
2. Funds must benefit a clientele who are low-income persons that will become more self sufficient.
3. Conditions in which low-income persons live are improved.

Funding Availability & Additional Requirements

Community Services Block Grant (CSBG)	\$900,000
Funds are disseminated quarterly. Only 25% allocated for the Initial funding level	\$225,000

Funding Subject to change based on final DCA allocation



No more than 20% shall be earmarked for administrative costs.

Admin Costs refer to:

- ✓ Board Development
- ✓ Executive Director functions
- ✓ Accounting
- ✓ Budgeting
- ✓ Personnel Procurement
- ✓ Legal Services

Emergency Solutions Grant (ESG):

Background Information

Eligible Activities

Eligible Beneficiaries

Funding Availability

ESG Background Information

Emergency Solutions Grant (ESG)

The purpose of the Emergency Solutions Grants (ESG) program is to assist individuals and families quickly to regain stability in permanent housing after experiencing a housing crisis or homelessness.

ESG provides grants by formula to states, metropolitan cities, urban counties and U.S. territories to support homelessness prevention, emergency shelter and related services.

Metropolitan cities, urban counties and territories may provide ESG funds to projects operated by units of general purpose local government or private nonprofit organizations

Emergency Solutions Grant (ESG) funding supports programs that:

- Engage homeless individuals and families living on the street
- Improve the number and quality of emergency shelters for homeless individuals and families
- Help operate these shelters
- Provide essential services to shelter residents
- Rapidly rehouse homeless individuals and families
- Prevent families/individuals from becoming homeless.

ESG Eligible Activities

1. Eligible Activities:

- Street outreach; engaging the unsheltered homeless and connecting to services
- Emergency Shelter; operations and essential services, such as case management
- Rapid-Rehousing homeless individuals and families
- Homeless Prevention Programs

2. Eligible Beneficiaries:

- All participants must meet HUD's homeless and at-risk for homelessness definitions. For Homeless Prevention funds clients must be "at-risk" AND below 30% AMI. Please see **Appendix B** in the ESG RFP Instructions for details on HUD's homelessness categories and relevant ESG components

ESG Estimated 2018 Funding Availability

ESG Eligible Component	Funds Available in this RFP	%
City of Jersey City Administration	\$0.00	0%
Street Outreach	\$54,941.00	12%
Emergency Shelter	\$219,767.00	48%
Rapid Rehousing/Homeless Prevention	\$183,139.00	40%
TOTAL	\$457,848.00	100%

ESG budget is subject to change based on final HUD allocation and proposals submitted

ESG Additional Requirements

- Funding Caps
 - No more than **60%** of ESG funds are available for Street Outreach and Emergency Shelter projects.
 - The remaining **40%** will be allocated across other eligible ESG activities
- Match! - Applicant must provide **100%** match for the ESG funds.
- ESG recipients **MUST** work with and participate in the Continuum of Care (CoC):
The Hudson County Alliance to End Homelessness
- HMIS - **ESG supported programs are required to input program beneficiary data into the Homeless Management and Information System.**

Housing Opportunities for Persons With AIDS (HOPWA):

**Background Information
Eligible Activities
Eligible Beneficiaries
Funding Availability**

HOPWA Background Information

Housing Opportunities for Persons with HIV/AIDS (HOPWA)

The Housing Opportunities for Persons With AIDS (HOPWA) Program is the only Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families.

HOPWA provides funding through two (2) types of grants:

1. Formula Program **(90%)**
2. Competitive Program **(10%)**

Formula Eligible applicants include metropolitan statistical areas with more than 500,000 people and at least 1,500 cumulative AIDS cases and States with more than 1,500 cumulative AIDS cases outside of eligible metropolitan statistical areas. Awards are contingent upon the submission and approval by HUD of a jurisdiction's Consolidated Plan.

Competitive Eligible applicants include States, local governments, and nonprofit organizations. Awards are based on competitive applications, with priority given by congressional authority to the renewal of expiring permanent supportive housing project grants.

HOPWA funds support programs that:

- ✓ Provide housing assistance for this targeted special needs population
- ✓ Include assessment and case management
- ✓ Provide substance abuse treatment, mental health treatment, nutritional services, job training and placement assistance
- ✓ Provide assistance with daily living

HOPWA Eligible Activities

HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs.

1. Eligible Activities:

- Acquisition, rehabilitation and/or new construction of housing units
- Costs for Facility Operations
- Rental Assistance
- Short-Term Payments to Prevent Homelessness
- Coordination and Delivery of Support Services (i.e. case management, substance abuse treatment, mental health, etc.) with housing assistance.

2. Eligible Beneficiaries

- All persons served must be residents of **Hudson County**. Non-residents cannot be served with these funds.
- All persons served must be low-income persons (at or below 80 percent of area median income) that are medically diagnosed with HIV/AIDS and their families are eligible to receive HOPWA-funded assistance.

HOPWA Estimated 2018 Funding Availability

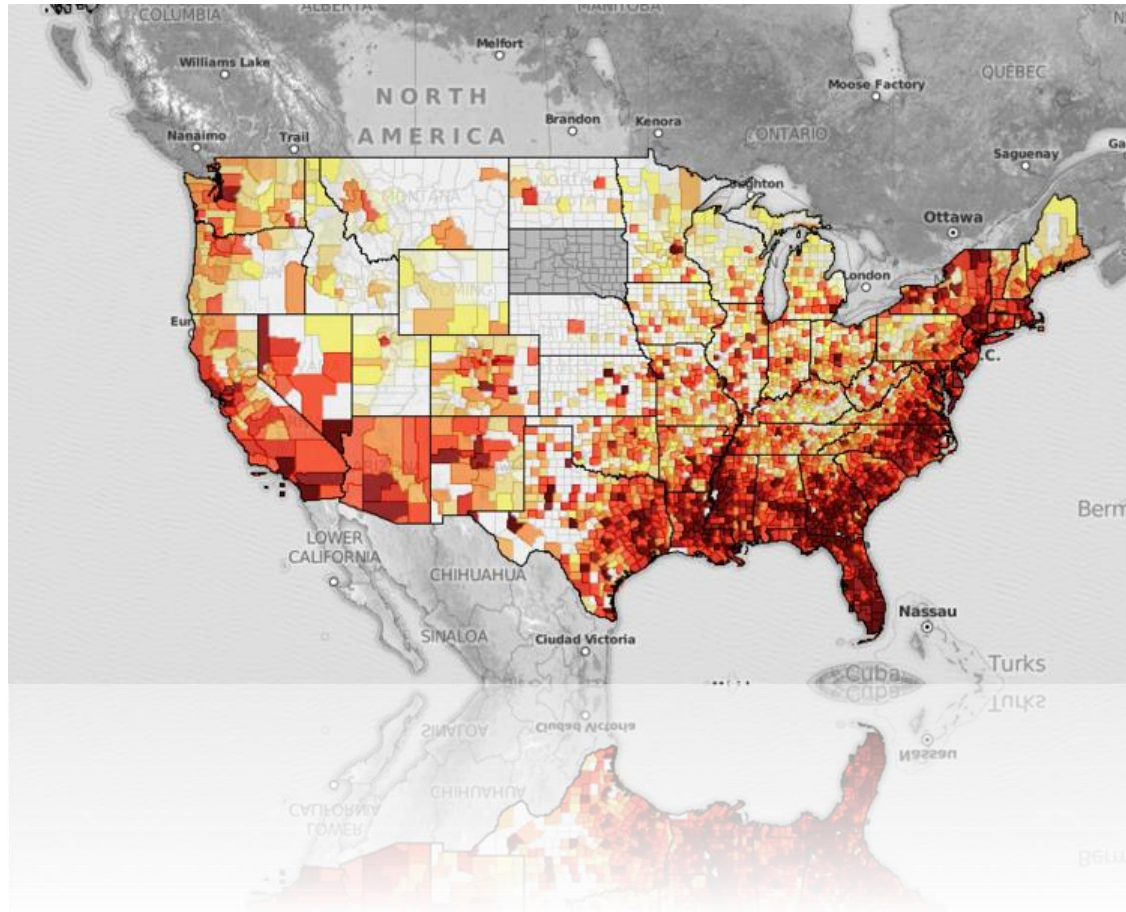
City Uses of HOPWA Funds	Amount
City of Jersey City Administration	Up to 3%
Estimated Available through RFP Competition	\$2,347,871
TOTAL	\$2,420,486

Subject to change based on final HUD allocation

HOPWA Additional Requirements

- Participation with the Hudson County HIV Planning Council's Housing Committee
- County-wide grant - must reside in Hudson County
- Beneficiary income cannot exceed **80%** of the area's medium income, established by HUD
- Funds for administration costs are capped at **7%** of total grant application requests
- TBRA/STRMU/PHP activities must have **80%** of their allotted to Direct Financial Assistance, with the remaining for administration and operating costs

HOPWA Modernization Process



HOPWA Modernization Impact for Jersey City

<u>Fiscal year</u>	<u>Projection</u>	<u>Difference</u>
FY 17	\$2,420,486	\$22,902
FY 18	\$2,422,186	\$1,700
FY 19	\$2,024,947	-\$397,239
FY 20	\$1,954,184	-\$70,763
FY 21	\$1,915,299	-\$38,885
FY 22	\$1,747,917	-\$167,382

How to Apply

Zoomgrants.com!

All proposals must be submitted on Zoomgrants.com

Go to <http://www.zoomgrants.com/login/>

Log in at the top right-hand corner of the screen. Go to “**Available Programs**” and click on “**City of Jersey City, Division of Community Development.**”

Available Monday, October 19th, 2018

Due by **11:59PM** Friday, November 26th, 2018

Grant Term:

April 1st, 2019 through March 31st, 2020

CSBG Grant Term:

January 1, 2020 - December 31, 2020

Threshold Review

Community Development Block Grant – Public Services (CDBG-PS)

Community Services Block Grant (CSBG)

Emergency Solutions Grant (ESG)

Housing Opportunities for Persons With AIDS (HOPWA)

RFP Threshold Requirements

Requirements for all proposals:

1. IRS 501 (c)(3) Exemption Determination Letter (non-profit)
2. System Award Management (SAM) Registration (**Must be active**)
3. Certificate of Good Standing (NJ Short Form)
4. 2017 Tax Return or Form 2017 - 990 (non-profit)
5. Organization/Business Articles of Incorporation

****Requirements must be met or application is disqualified****

Additional CDBG-PS / CSBG Requirements

6. Organization/Business By-Laws

7. Current Board of Directors List

8. Most Recent Audited Financial Statements

9. Memorandum of Agreement (MOA) Letter of Support (if applicable)

10. Certification Signature Page

11. Community Needs Assessment

CDBG-PS/CSBG Logic Models/ROMA goals and Reporting

Additional ESG / HOPWA Requirements

ESG

- A Completed ESG Budget Template (see documents tab)
- Agreement to record all client level data in HMIS
- Agreement to participate as a member in the Hudson County Alliance to End Homelessness and adhere to its relevant policies, including the Hudson County Coordinated Entry Program.
- Agreement to provide ESG-funded services with a "Housing First" and low-barrier approach

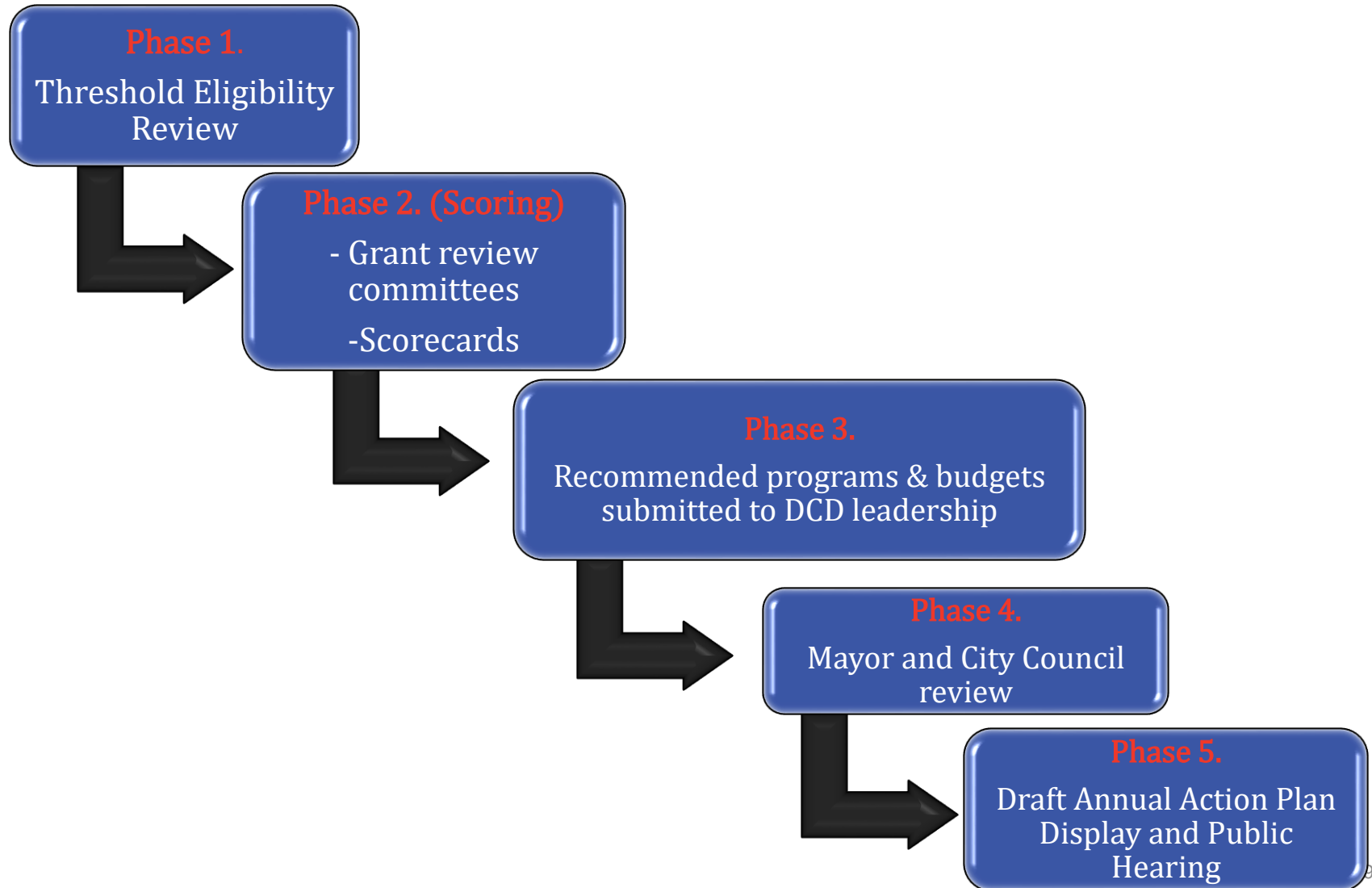
HOPWA

- Agreement to record all client level data in HMIS
- Agreement to be an active participant in the Hudson County HIV/AIDS Services Planning Council and its Housing Committee.

Requirements must be met or application is disqualified

Evaluation and Scoring

Evaluation Process



Scoring Criteria Review

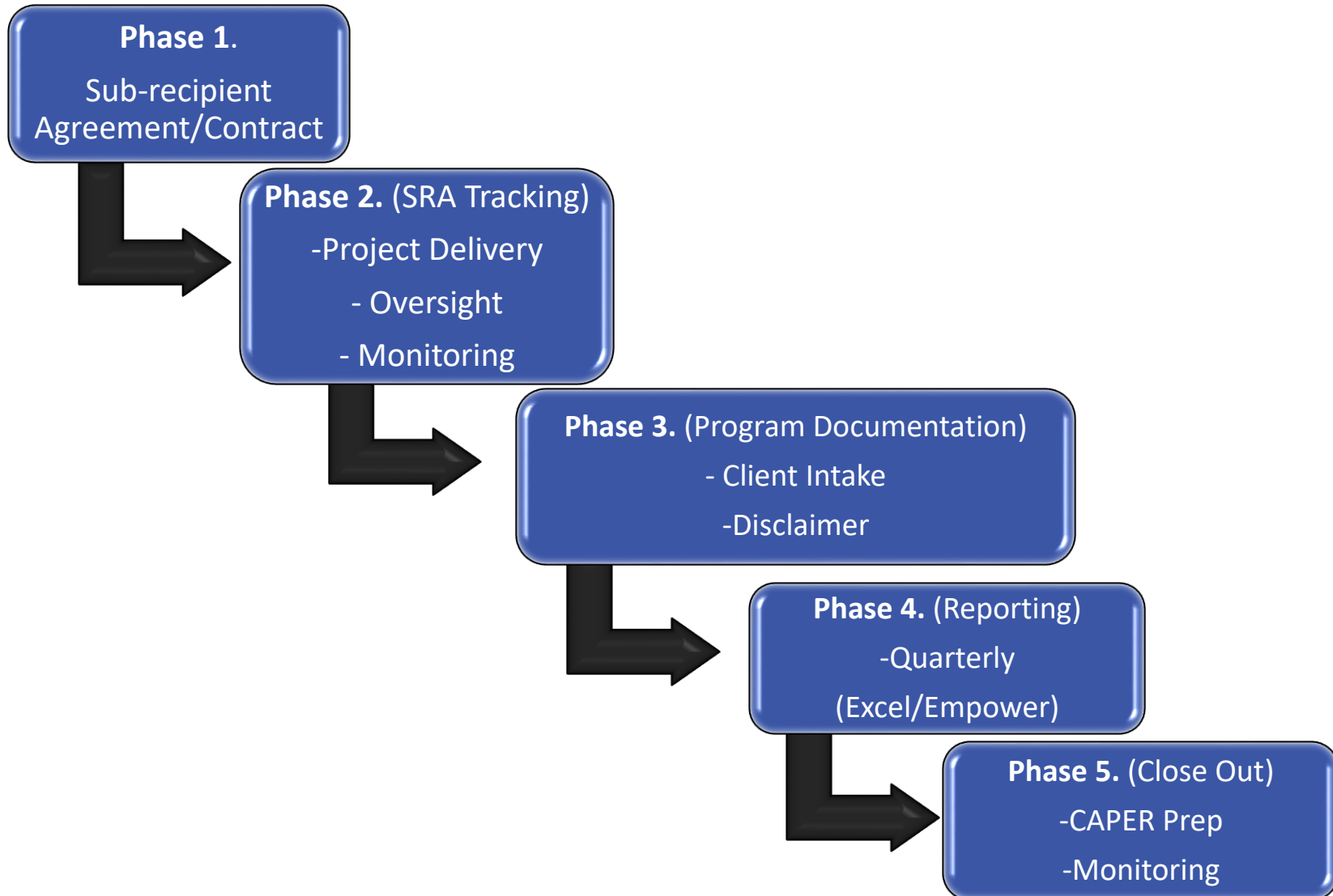
Program and grant performance is considered

- Timely submission of: FY18-19 application / Budget submission / Quarterly reporting / Draw downs
- Program outcomes/goals (CSBG grantees should match EmpowOr database)
- Increased percentage of clients achieving programmatic outcome
- Program meets the National Objective
- Agency has completed Needs Assessment within last five **(5) years**
- Program proposes services for needs identified in Needs Assessment and design of program demonstrates knowledge of target population
- Agency has experienced staff to complete program goal
- Presents a sufficient and clear process to measuring and meeting goals
- Agency's proposed budget is reasonable and supports eligible expenses
- Agency leverages grant funds with funds from other sources

❖ Each grant scorecard is structured differently

Read the RFP!!!

What to Expect post Award



Contact Us



City of Jersey City

Division of Community Development

30 Montgomery Street, Suite 404

Jersey City, NJ 07302

Carmen Gandulla, Director

<http://eepurl.com/b4wGYL>

<http://bit.ly/jccommunitydevelopment>

CDBG-PS / CSBG &

Economic Development

Kiyada Pittman (201)-547-5468

kpittman@jcnj.org

Relocation

Saulo Diaz (201)-547-4871

sdiaz@jcnj.org

HOPWA & ESG

Jose Ortiz 201 547-4861

jortiz@jcnj.org

HOME Investment Partnerships (24 CFR Part 92)



HOME Investment Partnerships Program

- HOME Investment Partnerships Program (**HOME**) provides formula grants that communities use to fund acquisition, rehabilitation, and/or new construction of affordable housing for rent or homeownership.
- Largest Federal block grant exclusively to create affordable housing for low-income households.
- All HOME-funded projects must follow project compliance and monitoring regulations under 24 CFR Part 92.

HOME Eligible Costs

- New Construction
- Rehabilitation
- Reconstruction
- Conversion
- Site Improvements
- Acquisition of Property and Vacant Land
 - Construction **MUST** start within 12 months
- Demolition
 - Construction **MUST** start within 12 months
- Relocation Costs
- Refinancing
- Initial Operating Reserve
- Project-Related Soft Costs

HOME Ineligible Costs

- Project Reserve Accounts
- Development, Operations or Modernization of Public Housing
- Acquisition of PJ-Owned Property
- Project-Based Rental Assistance
- Pay for Delinquent Taxes, Fees or Charges
- HOME projects during affordability period
- Acquisition of vacant land (only)
- Demolition (only)

HOME Considerations

Timely Production and Occupancy of HOME-Assisted Housing:

- HOME projects must be completed within four (4) years from the date the written agreement is executed
- HOME-assisted rental units must be occupied by income-eligible households within 18 months of project completion
- A homebuyer unit must have a ratified sales contract within 9 months of construction completion or it will be converted to a rental

2013 Rule Change: Homebuyers must receive housing counseling

HOME Considerations

HOME funds cannot be **committed** to a project until:

- Underwriting and subsidy layering are performed
 - An examination of the sources and uses of funds for the project and a determination that the costs are reasonable

- Market study is completed
 - An assessment of the current market demand in the neighborhood in which the project will be located

- All necessary financing have been secured through commitment letters minus GAP funding (i.e. HOME request)
 - Support letter/Letter of interest accepted during application
 - Commitment letter **REQUIRED** for contract execution

HOME Considerations

HOME funds cannot be **committed** to a project until:
(CONTINUED)

- ✓ Budget and Production schedules have been established
- ✓ Environmental Review/RROF have been completed
- ✓ Construction must start within 12 months

HOME Considerations

Other HOME Requirements:

- **Davis-Bacon** (Prevailing Wage) required for 12+ HOME-assisted units

- **Environmental Review** and **Request for Release of Funds** (RROF) for all new construction and major rehabs
 - Some rehabs still need level of Environmental Review but may not require Release of Funds from HUD

- Projects with 5+ HOME-assisted units must:
 - Reserve at least 20% of the units to households at or below 50% AMI using HUD's LOW rent limit (rental only)
 - Enforce an affirmative marketing plan (rental & homebuyer)

HOME Considerations

HOME Considerations:

- Proof of site control or in process of obtaining site control
- Zoning and/or land use approvals
- A realistic project schedule/timeline
- Site photos, conceptual drawings, schematic designs
- Developer and Team's capacity
- Financing Application Form
 - For Rental housing – Provide a 20 year operating budget
 - For Sale housing – Provide HOME affordability analysis

Community Housing Development Organization (CHDO)

Eligible to receive **15%** set-aside HOME funds

- A legally incorporated tax-exempt nonprofit organization
- An independent organization free of undue control by for-profit or governmental entities
- Accountable to the low income community it serves
- Capable of undertaking the development of affordable housing
- CHDO must act as the developer, owner or sponsor
- Special application to receive CHDO designation (must be completed per each project)

HOME RFP

FISCAL YEAR 2019–2020 REQUEST FOR PROPOSALS

Affordable Housing Projects

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Issue Date: October 19, 2018

Closing Date: 11:59 PM, November 26, 2018



ISSUED BY: THE CITY OF JERSEY CITY
STEVEN M. FULOP, MAYOR

DIVISION OF COMMUNITY DEVELOPMENT
CARMEN GANDULLA, DIRECTOR

HOME RFP

D. RFP Scorecard



FY 2019-20
HOME Investment Partnerships Program (HOME)
RFP Scorecard

	PROJECT TYPE		
	Production (Rental)	Production (Homeownership)	
Project Name: _____			
Project Sponsor/Developer: _____			
Project Type: _____			
Organizational Requirements			✓
1. Organization/Business Articles of Incorporation	x	x	
2. Organization/Business By-Laws	x	x	
3. Current Board of Directors List	x	x	
4. Certificate of Good Standing	x	x	
5. System Award Management (SAM) Registration	x	x	
6. Most Recent Audited Financial Statements	x	x	
7. Most Recent Tax Return (for-profit) or Form 990 (non-profit)	x	x	
8. IRS 501(c)(3) Exemption Determination Letter (non-profit)	x	x	
Threshold Eligibility Requirements			✓
1. Eligible Project Type	x	x	
2. Site Control	x	x	
3. Zoning Conformance	x	x	
4. Application for Financing	x	x	
5. Market Study	x	x	
6. Conceptual Drawings	x	x	
7. Development Team Thresholds	x	x	
8. Financial Information for Existing Projects (If Applicable)	x	x	
9. Relocation Plan (If Applicable)	x	x	
10. Financing Interest Letters	x	x	

CRITERIA	MAXIMUM		SCORE
	Production (Rental)	Production (Homeownership)	
Underwriting Scoring			
1. Financial and Economic Feasibility	40	40	
a. Application for Financing Form	15	15	
b. Timeline	3	3	
c. Architectural Plans	2	2	
d. Financing Commitments	5	5	
e. Overall Financial and Economic Feasibility	15	15	
2. Development Team Capacity	35	30	
a. Developer/Owner Capacity and Experience	10	10	
b. General Contractor Capacity and Experience	5	5	
c. Management Agency Capacity and Experience	5	N/A	
d. Architect/Construction Manager Capacity and Experience	5	5	
3. Site Selection and Design Characteristics	5	5	
4. Market Demand and Need Analysis	5	5	
Other			
1. Special Population(s) Housing	5	N/A	
2. Family-Oriented Units	10	10	
3. Certified MBE/WBE Sponsor or Developer	2	2	
4. Income Levels Served	5	5	
5. Geographic Targeting	10	10	
6. Green Design/Energy Efficiency	3	3	
TOTAL	110	100	
TOTAL SCORE:			
DCD NOTES			

HOME RFP

Organizational Requirements

- Organization/Business Articles of Incorporation
- Organization/Business By-Laws
- Current Board of Directors List
- Certificate of Good Standing
- System Award Management (SAM) Registration
- Most Recent Audited Financial Statements
- Most Recent Tax Return (for-profit) or Form 990 (non-profit)
- IRS 501(c)(3) Exemption Determination Letter (non-profit)

Threshold Requirements

- Eligible Project Type
- Site control
- Zoning Conformance
- Application for Financing Form
- Market Study
- Conceptual Drawings
- Development Team Thresholds
- Financial Information for Existing Projects
- Relocation and Anti-Displacement Strategy
- Financing Letters

HOME RFP

Capacity Scoring

- Application for Financing Form
- Timeline
- Architectural Plans
- Financial & Economic Feasibility
- Development/Owner, General Contractor, Management Agency, Architect, Construction Experience
- Site Selection and Design Characteristics
- Market Demand and Need Analysis

Prioritization Scoring

- Special Populous Housing (rental only)
- Family-Oriented Units
- MBE/WBE Sponsor or Developer
- Income Levels Served
- Geographic Targeting
- Green Design/Energy Efficiency

Affordable Housing Trust Fund (§304-32)



Affordable Housing Trust Fund

- Affordable Housing Trust Fund (AHTF) provides municipal subsidy to for-profits, non-profits, or autonomous government agencies to fund rehabilitation, construction or preservation of existing low or moderate income affordable housing or the construction of new low or moderate income affordable housing.
- AHTF are to supplement other private or public funds needed to complete the project.
- All funds awarded to supplement other private or public funds needed to complete the project.
- Awards shall be based upon an RFQ solicited biannually in January and August, subject to availability of trust funds.

AHTF Eligible Activities

- Pre-Development (non-profits only)
- New Construction
- Rehabilitation
- Reconstruction
- Preservation
- Acquisition
- Demolition
- Relocation Costs
- Refinancing
- Capitalization of Project Reserves
- Project-Related Soft Costs

CDBG Public and Community Facilities



CDBG Background Information

Community Development Block Grant

Goals:

- Provide decent, safe, and sanitary housing
- Provide a suitable living environment
- Expand economic opportunities

National Objectives:

- LMI Benefit
- Slum/Blight
- Urgent Need

CDBG Programs:

- **Public Facilities**
- **Public Services**
- **Relocation (URA)**
- **Economic Development**
- **Home Improvement Program (HIP)**
- **Acquisition/Demolition**

CDBG Eligible Activities

- Different than the HOME Program
- Wide variety possible
- §570.201, §202, §203, §204, §205, and §206 and
Section 105 of the Act

CDBG Eligible Activities

■ Housing activities:

- Rental rehabilitation

- Homeowner unit rehabilitation

- Homebuyer assistance

- New housing construction generally ineligible unless done by CBD0

CDBG Eligible Activities

■ Real Property Activities

- Acquisition IF for an eligible use
- Disposition
- Clearance and demolition

■ Public Facilities

- Such as roads, sewer, water or neighborhood facilities

■ Interim Assistance

- Short term arrest of decay
- Emergency situations

CDBG Eligible Activities

- **Other property activities**
 - Code Enforcement in selected areas
 - Renovation of closed buildings
- **Economic Development**
 - Special economic development
 - Microenterprise
 - Commercial rehab

CDBG Eligible Activities

■ Other activities:

- Payment of non-federal share
- Urban Renewal completion
- Relocation
- Loss of rental income
- New construction related only to HODAG or housing of last resort
- Privately owned utilities
- Technical assistance for neighborhood revitalization
- Assistance to institutions of higher learning

CDBG Ineligible Activities

- **Regs expressly prohibit:**
 - Buildings for conduct of government & general government expenses
 - Political activities
 - New housing construction (some exceptions)
 - Income payments
 - Purchase of equipment
 - Operating and maintenance expenses
- Some exceptions for ED and CBDO activities, interim assistance

CDBG Program Partners

- **Sub-recipient**

- Activities undertaken by nonprofit when administering program or developing & managing housing

- **Community Based Development Organization (CBDO)**

- Neighborhood-focused nonprofit

- Undertakes neighborhood revitalization, community economic development, energy conservation

- **Contractors**

- Must be procured

All CDBG Activities Must....

- Be described in the Grantees Consolidated Plan and Annual Action Plan for year undertaken and
- Be eligible under §CFR 570.201-570.206 and
- Must not be ineligible under §CFR570.207 and
- Meet a National Objective

Low/Mod Benefit Housing

- To meet the housing national objective, structures must be occupied by low/mod
 - One unit structures occupied by LMI
 - One unit of duplex occupied by LMI
 - **≥51%** of 3+ units LMI occupied by LMI
- May have less than **<51%** LMI occupancy only under certain circumstances
- Aggregation allowed in some instances

Low/Mod Benefit Limited Clientele

- Activities that benefit specific populations
 - Presumed clientele
 - **≥51%** of participants are LMI
 - Participation limited to LMI only
 - Nature and location indicate low/mod benefit
- Some activities may qualify
 - Removal of architectural barriers (some activities); or
 - Microenterprise activities with LMI owners; or
 - Certain types of job training efforts.

Slum and Blight Spot Basis

- Activities that address specific conditions of blight/physical decay not in slum/blight area
- Activities limited to acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or building rehab
- Rehab limited to elimination of conditions detrimental to public health and safety

Slum and Blight Area Basis

- Area must meet definition of slum/blighted area under state/local law
- Substantial number of deteriorated/deteriorating buildings or public improvements
- Activity must address conditions contributing to deterioration

Slum and Blight Urban Renewal

- Activities in Urban Renewal or Neighborhood Development Program action areas
- Activities necessary to complete an Urban Renewal Plan
- Uncommon as many grantees no longer have Urban Renewal funds/plans

Urgent Need National Objective

- To meet the urgent need test:
 - ✓ Existing conditions pose serious & immediate threat to health/welfare of community
 - ✓ Existing conditions are recent became urgent
 - ✓ Recipient cannot finance on its own
 - ✓ Other funding sources not available

HOME IMPROVEMENT PROGRAM (HIP)

- The City of Jersey City Community Development Block Grant-Home Improvement Program (CDBG-HIP) provides deferred payment loans for the purpose of housing rehabilitation to homeowners at or below **80%** of the City's median income, occupying a 1-2 family home, in the City of Jersey City entitlement.
- The maximum amount currently allowable in the CDBG-HIP program is **\$24,900** per residential structure. If the cost of repairs exceeds this maximum forgivable deferred payment loan amount, the excess repair cost will be the responsibility of the homeowner.

HIP Contractor Eligibility

- All contractors wishing to participate in the CDBG-HIP will be required to complete a Contractor's Registration Form and provide copies of all certificates held for working with lead based paint. In addition, each contractor must provide three professional references and a valid certificate of insurance with a minimum coverage of **\$300,000** for bodily injury and **\$100,000** for property damage.
- In addition, all participating contractors shall carry or require that there be carried full and complete Worker's Compensation Insurance for all employees and those of any subcontractors engaged in work on the Contract premises. All contractors will be checked against the State and Federal Debarred Contractors Lists and must secure a Business Registration Certificate through the NJ Department of Community Affairs and possess and supply a copy of their Lead Based Paint Safe Work Practices certification.

HIP ELIGIBLE IMPROVEMENTS

- Plumbing,
- Heating,
- Electrical work,
- Insulation,
- Roofs,
- Doors,
- Windows,
- Floors,
- Walls,
- Ceilings,
- Exterior and Interior Painting,
- Steps,
- Porches,
- Structural Repairs,
- Bathroom Repairs,
- Kitchen Repairs,
- Siding,
- Leaders,
- Gutters,
- Sidewalk Repair, and
- Driveway Repair.

HOME IMPROVEMENT PROGRAM (HIP) FLYER

**CITY OF JERSEY CITY
DIVISION OF COMMUNITY DEVELOPMENT**

is seeking

Home Rehabilitation Contractors
to participate in the
**CDBG HOME IMPROVEMENT
PROGRAM (CDBG/HIP)**



THE PROGRAM:

The City of Jersey City, Division of Community Development uses Federal CDBG funds to perform necessary home repairs to address safety and health hazards as well as abating code violations on owner occupied 1 and 2 family units. The program provides up to a maximum of \$24,900.00 per household. Women and minority owned businesses are encouraged to apply.

TO QUALIFY:

Contractors must be in business for at least 2 years and submit the following documentation:

- 1) Copy of contractor registration/license with the State of New Jersey
- 2) Copy of Business Registration with the State of New Jersey
- 3) Valid Certificate for completed EPA Lead Safe Work Practices course
- 4) Proof of Liability Insurance with \$100,000 Property/\$300,000 Injury Liability Limits
- 5) Proof of Workers' Compensation Insurance for all employees
- 6) Three references with client's name, phone number, project address, description of work done and photos of the work

This Request for application constitutes an invitation to submit applications to the City of Jersey City (City). The City reserves the right in protection of the best interests of the City to waive any technical error, to reject any application, or any part thereof, for any reason whatsoever or to reject all applications for any reason whatsoever. A party's proposal is prepared at its own cost and expense. The City will not pay for any of the expenses associated with the preparation or submission of an application.

**FOR MORE INFORMATION, PLEASE CONTACT
THE DIVISION OF COMMUNITY DEVELOPMENT AT 201-547-5087.**

CTY MAKE IT
YOURS



The City of Jersey City
Mayor Steven M. Fulop
The Municipal Council and
Division of Community Development



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JC.DCV
jerseycitynj

RENTAL HOUSING

Approaches to Rental Housing

- Many possible approaches:
 - Acquisition
 - Rehabilitation
 - New Construction

Acquisition

- Jurisdiction subsidizes the purchase
- In return units are rented to LMI persons at affordable rent
- Both programs permit this
 - Under CDBG, acquisition only= Public or Private nonprofit entity
- Generally need LMI focus:
 - HOME allows units targeting
 - CDBG requires national objective

Rehabilitation

- Permitted under both programs
 - Can be combined with acquisition
- HOME requires compliance with property Standards
 - CDBG mandates no standard
- Can do historic preservation
 - CDBG can be stand alone
 - HOME is a part of rehab

New Construction

- HOME can finance all or part of rental construction
- CDBG cannot generally be used to construct rental housing
 - Exception for CBDO's
 - Exception for special needs facilities
 - CDBG can be used to support new construction

Conversion and Reconstruction

- Conversion= changing something into affordable housing
- Reconstruction= re-building same size structure on same site
- Both programs allow
- Both are considered rehabilitation

Key Partners in Rental Development

Many types of partners in developing rental housing:

- Developer
- Owner
- Sponsor
- Property managers
- Lenders

HOME works with CHDO's

CDBG may work CBDO's

Eligible Projects

- Both programs allow flexibility in project ownership- public or private
 - CDBG can do any
 - HOME can do all except public housing units
- Mixed use is also possible
 - CDBG can pay for both commercial and residential
 - HOME is limited to residential

Eligible Projects

- Special needs projects are possible under both programs
 - Includes group homes, SRO, transitional
- Facilities
 - HOME** cannot do facilities
 - ⇒HOME cannot do overnight shelters
 - CDBG** can develop facilities but these are not “Housing”
 - ⇒Not Subject to new construction ban
 - ⇒Use limited clientele national objective
 - ⇒Must be owned by public agency or nonprofit

Eligible Projects

- Mixed income is also possible under both
 - HOME can be targeted at specific units
 - CDBG needs to meet the national objective
 - ⇒ if using the housing national objective generally means 51% LMI regardless of level of investment
 - ⇒ One exception for when writing down the cost of new construction for a multi-family, non-elderly project

Assisted Units

- CDBG doesn't have concept of assisted units
 - Must meet national objective
- Only units receiving HOME funds are subject to HOME requirements
 - Known as "HOME-assisted units"
- For properties with HOME and non-HOME units, must select "fixed" or "floating" HOME units
 - Fixed= HOME units for duration of affordability period
 - Floating= unit numbers change but always have same portion of HOME units

CDBG - Public Facilities

National Objective

For each CDBG-PF activity, one of the following three types of documentation must be kept:

- ❑ Benefit low/ mod income persons
- ❑ Prevent or eliminate slums and blight or
- ❑ Meet an urgent need

Eligible Activities – Public Facilities

CDBG regulations allow the use of grant funds for a wide range of public facilities and improvements, including, but not limited to:

- Acquisition (including long term leases for periods of **15 years or more**)
- Construction
- Reconstruction
- Rehabilitation (including removal of architectural barriers to accessibility)
- Installation

24 CFR 570.202 - Eligible rehabilitation and preservation activities

Ineligible Activities – Public Facilities

CDBG regulations does not allow the use of grant funds for a wide range of public service activities, including, but not limited to:

- Costs for operating or maintaining expenses
- Costs of purchasing construction equipment
- Costs of furnishings and other personal items such as uniform
- New construction of public housing

24 CFR 570.207 - Ineligible activities

CDBG-Public Facilities RFP

FISCAL YEAR 2019-2020 REQUEST FOR PROPOSALS

COMMUNITY DEVELOPMENT BLOCK GRANT
Public & Community Facilities Projects (CDBG-PCF)

ISSUE DATE:
CLOSING DATE:



OCTOBER 19, 2018
11:59 PM NOVEMBER 26, 2018

ISSUED BY: THE CITY OF JERSEY CITY
STEVEN M. FULOP, MAYOR

DIVISION OF COMMUNITY DEVELOPMENT
CARMEN GANDULLA, DIRECTOR



CDBG-Public Facilities RFP Threshold Requirement

ORGANIZATIONAL REQUIREMENTS	✓
1. Organization/Business Articles of Incorporation	
2. Organization/Business By-Laws	
3. Current Board of Directors List	
4. Certificate of Good Standing	
5. System Award Management (SAM) Registration	
6. Most Recent Audited Financial Statements	
7. Most Recent Tax Return (for-profit) or Form 990 (non-profit)	
8. IRS 501(c)(3) Exemption Determination Letter (non-profit)	
THRESHOLD ELIGIBILITY REQUIREMENTS	
1. Eligible Project Type	
2. Low/Moderate-Income Benefit/HUD National Objective	
3. Site Control	
4. Zoning	
5. Development and Operating Budget	
6. Project Timeline and Draw Schedule	
7. Appraisal	
8. Market Study	
9. Phase I	
10. Architectural Plans and Cost Estimate	
11. Green Design and Building	
12. Development Team Threshold	
13. Facility Operations Plan	
14. Relocation and Anti-Displacement Strategy	
15. Financing Letters	

UNDERWRITER SCORING	
Market Demand and Needs Analysis: What is the reason for the project?	15
Financial and Economic Feasibility of Applicant: Is the project financially sustainable? Is the request appropriate?	15
Development Team Capacity and Experience: Is the applicant capable of completing the project?	20
Site Selection and Design Characteristics: Does the project fit the neighborhood and served population?	10
Cost Reasonableness: Are costs reasonable?	10
Leverage	5
Preference for Community Amenities Located in Underserved Neighborhoods	10
Project Readiness	5
Green Building Prioritization	5
Preference for Longer-Term Projects	5
TOTAL	100

Scoring Sheet

PROPOSAL THRESHOLD REQUIREMENTS:

ORGANIZATIONAL REQUIREMENTS	✓
1. Organizational/Business Articles of Incorporation	
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UNDERWRITER SCORING	
Market Demand and Needs Analysis	15
• NEED FOR PROJECT - Type of Housing	3.75
• General Justification for Funding: How does project fit in with Con Plan, housing strategies, etc.?	3.75
• Why is the project needed?	3.75
• Assess neighborhood market conditions: What supports proposed home prices (homeownership) / proposed rents (rental)? b. What supports sales within 6 months (homeownership applications) / lease up within 18 months (rental)?	3.75
Financial and Economic Feasibility of Applicant	15
• Examine sources & uses and operating pro forma: Are costs reasonable?	5
• Examine sources & uses and operating pro forma: Are project development costs in line with industry standards/similar projects? Project operating cost in line with industry standards/similar projects?	5
• Examine the Capital Needs Assessment (CNA): Can the project cover capital improvements throughout the Period of Affordability? Is an additional Capital	5

Development Team Capacity and Experience	20
• Assess capacity of developer/development team: Developers/owners with previous City experience have maintained building(s) AND provided necessary tenant information in accordance with signed agreement? Any pending lawsuits or legal charges? CAPACITY OF DEVELOPER - Developer's Ability to Engage MWBE	5
• Assess capacity of developer/development team: Complete similar projects successfully? Any problem projects current or past? CAPACITY OF DEVELOPER - Staff Expertise	5
• Assess capacity of developer/development team: Describe evidence developer is financially stable.	5
• Assess capacity of developer/development team: Describe evidence developer staff is sufficient, qualified.	5
• Assess the capacity of ongoing management: Is there evidence they are managing similar properties successfully? Any problem projects current or past?	5
Site Selection and Design Characteristics	10
• Assess project risks: Is project likely to be completed in a timely manner? Any foreseeable obstacles to completion?	10
Cost Reasonableness Project	10
• Examine sources & uses and operating pro forma: Debt Coverage Ratio is acceptable? Return on Investment is acceptable? Loan to value is acceptable?	2.5
• Examine sources & uses and operating pro forma: Has adequate funding been secured? What is the status of other funding sources?	2.5
• Examine sources & uses and operating pro forma: Describe the evidence that the project can operate sustainably through the compliance period.	2.5
• What contingencies should be placed on funding?	2.5
Leverage	5
Preference for community amenities located in underserved neighborhoods	10
Project Readiness	5
Green Building Prioritization	5
Preference for Longer-Term Projects	5
TOTAL	100

CDBG-Public Facilities Monitoring and Compliance

Monitoring

Under Federal monitoring requirements of 24 CFR 570.501 (B) and with 24 CFR 84.51 and 85.40

- Jersey City is responsible for managing the day-to day operations of grant and subgrant supported activities. Jersey City must monitor at least annually; subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved.

- **Primary Goals of Monitoring:**
 - Ensure production and accountability
 - Ensure compliance with CDBG and other Federal requirements
 - Evaluate organizational and project performance

CDBG-Public Facilities Monitoring and Compliance

- The Regulations require that the performance of each subrecipient receiving CDBG funds must be reviewed by grantees at least annually. Good practice suggests that:
 - Any entity receiving CDBG funds of an eligible project must be monitored to ensure compliance with applicable program requirements
 - Reviews that are more frequent may be appropriate based on the length and complexity of the activity being undertaken and the experience and capacity of the subrecipient.

CDBG-Public Facilities Monitoring and Compliance

Types of Monitoring:

- **Administrative and Financial Monitoring:** ensures that the grantee and Subrecipient's are administering the program properly (i.e. using funds from authorized sources, tracking funds, using proper methods of recordkeeping, managing finances appropriately)
- **Program Monitoring:** ensures the operations and management of Subrecipient's for efficiency, effectiveness, compliance, etc. This kind of monitoring focuses on overall program performance of subrecipient.
- **Project Monitoring:** ensures that projects are in compliance with CDBG and other Federal standards. This kind of monitoring focuses on the compliance of an individual project.

CDBG-Public Facilities Procurement

Under Regulations 570.502, 570.610, 85.36

Subrecipients must follow Federal procurement rules when purchasing services, supplies, materials, or equipment.

- The “essence of good procurement” can be summarized as follows:
 - Identify and clearly specify standards for the goods or services the grantee or subrecipient wants to obtain;
 - identify and clearly specify standards for the goods or services the grantee or subrecipient wants to obtain;
 - use a written agreement that clearly states the responsibilities of each party;
 - keep good records; and
 - have a quality assurance system that helps the grantee or sub-recipient get what it pays for

CDBG-Public Facilities Procurement

- There are **four** methods of procurement that are identified in the federal regulations:
 - Small Purchase Procedures: Allow recipients to acquire goods and services totaling no more than **\$100,000**, without publishing a formal request for proposals or invitation for bids.
 - Sealed Bids: Sealed bids (Formal Advertising) should be used **for all construction** contracts or for goods costing more than **\$100,000**.
 - Competitive Proposals: used to purchase professional services where the total cost will exceed \$100,000. Under this procurement method, the grantee must publish a written request for submissions and then review these submissions based on established selection criteria

CDBG-Public Facilities Procurement

Non-competitive proposals: when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and one of the following circumstances applies:

- Where the item is available only from a single source;
- Where a public emergency or urgent situation is such that the urgency will not permit a delay beyond the time needed to employ one or the other procurement methods; or
- Where after solicitation of a number of sources, competition is determined inadequate.

Contract Requirements

- Environmental Review Clearance
- Procurement Process
- Pre-Construction Meeting
- Davis-Bacon Requirements
 - - **Required for any project over \$2k**
 - (<https://www.hud.gov/sites/documents/4812-LRGUIDE.PDF>)
- Mortgage Lien Requirements
 - **Required for any project over \$20k**
 - **10 year restriction**

CDBG-Public Facilities Additional Information

Time of Performance:

- April 1, 2019 – March 31, 2020

Expenditures:

- Sub recipients must execute a Subgrantee Agreement (Contract)
- Sub recipients are expected to submit vouchers for project expenditures in conjunction with the required reports.

Records and Reports:

- Sub recipients are expected to submit project progress reports and annual activity reports. Failure to submit reports as required may result in funding reductions or the cancellation of the funding.

CDBG- Public Facilities Reports

- Quarterly Reports
- Financial Management
 - Voucher Processing
 - Budget Reports
 - Budget Modification Process
 - Allowable and unallowable Costs
- Annual Report submitted prior to closeout

Other Considerations

- All federal funds used for physical improvements must follow federal guidelines for bidding and construction including Davis Bacon Wage rates and State Prevailing rates
- Identify MBE/WBE and Disadvantaged businesses to bid on project and provide information to General Contractors to encourage use of Subs

Key Areas to Compare

- Each program has rules about:

- ↳ Method of funds distribution

- ↳ Key Partners

- ↳ Expenditure Timeliness

- ↳ Eligible Activities & Costs

- ↳ Low Income Targeting

- ↳ Affordability

- ↳ Level of Investment

- ↳ On-going Compliance

Key Program Differences

CATEGORY	HOME	CDBG
Key Partners	CHDO's	Sub-recipients, nonprofit organizations, community based development organizations (CDBO's), CDFI's
State Projects	Can fund directly	Only through local governments
Timeframes	2 Year Commitment 5 Year Expenditure	Entitlements=no more than 1.5 times grant in line of credit States obligate funds within 15 months.
Match	25%	None required (states match admin)

Key Program Differences

CATEGORY	HOME	CDBG
Households	Low Income	Depends on national objective -if housing activities or infrastructure for housing, LMI housing national objective is likely
Affordability Period	Required	None (Change of use restrictions may apply)
Rents	Capped	"Affordable" if housing national objective
Unit Quality	Local Code	No specific standard required
Investment	Capped	No cap
Long- Term Obligations	Yes for homebuyer, Rental & TBRA	None (change of use provisions may apply)

Key Program Differences

CATEGORY	HOME	CDBG
Activities	Homeowner rehab, homebuyer, rental, TBRA	Rehab, infrastructure, services, ED, acquisition, clearance
Ineligible Activities	Non-Housing, Public Housing	Maintenance, new construction of housing, income payments (generally)
Re-Funding	Not during Affordability Period	No rules on
Admin & Planning	10%	Entitlements capped at 20%, states capped at 3% (includes TA)
Low Income Targeting	All HOME-assisted households must be low income	70% of all expenditures must benefit LMI persons over 1-3 year period

Contact Us



City of Jersey City

Division of Community Development

30 Montgomery Street, Suite 404

Jersey City, NJ 07302

Carmen Gandulla, Director

<http://eepurl.com/b4wGYL>

<http://bit.ly/jccommunitydevelopment>

HOME Investment Partnerships Program & Affordable Housing Trust Fund (AHTF)

Rodney Hairston (201)-547-4793

Rhairston@jcnj.org

Environmental Specialist/Program Manager

Alycia Cohen (201)-547-4583

acohen@jcnj.org

HOME & AHTF Inspector

Denisse Santiago 201 547-4320

santiagod@jcnj.org

Public Facilities Rehab

Ricardo Simmons 201 547 4873

rsimmons@jcnj.org

Next Steps

**Fiscal Year
2019/2020
Schedule**

FY 2019/2020 Schedule

<u>Dates</u>	<u>Grant Cycle Steps</u>
October 19, 2018	Grant Applications Available on ZoomGrants.com
October 30, 2018	Technical Assistance and First Public Hearing
November 14, 2018	Second Public Hearing at Bethune Center
November 26, 2018	Grant Applications Due
January 1, 2019 – February 1, 2019	Public Comment Period on 2018 Action Plan
February 15, 2019	Submit Annual Action Plan to HUD
April 1, 2019	City Receives HUD Contract & Funding, Sub-recipient Agreements Signed, Projects Begin
April 15, 2019	City Council Votes on Action Plan

FY 2018 Allocation

Community Development Block Grant (CDBG)	\$5,034,144
Community Service Block Grant (CSBG)	\$933,576
Affordable Housing Trust Fund (AHTF)	\$3,402,609
HOME Investment Partnership (HOME)	\$1,354,363
Housing for Persons With AIDS (HOPWA)	\$2,420,486
<u>Emergency Solutions Grant (ESG)</u>	<u>\$457,848</u>
Total	\$13,603,026

Projected allocation subject to change

**Public Hearing:
5-Year Consolidated Plan
& Annual Action Plan**

5-Year Consolidated Plan & Annual Action Plan

2020-2025 5-Year Consolidated Plan

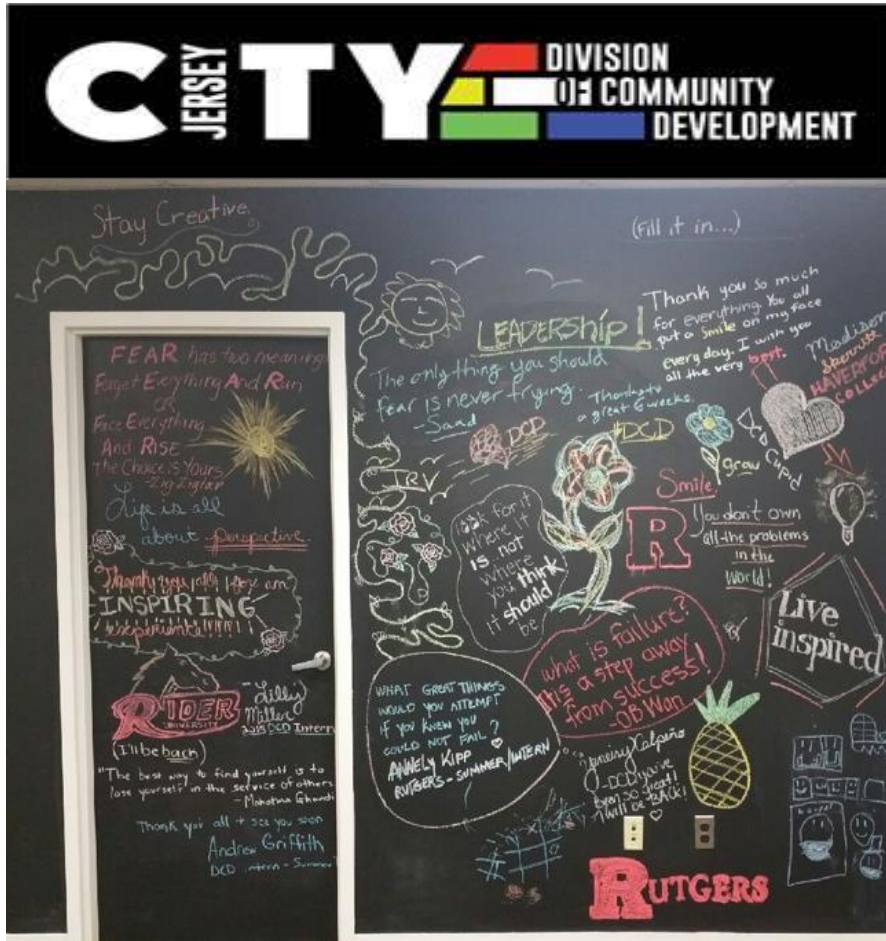
Data-driven decision making is HUD's intention

- Preserve and increase affordable housing stock
- Housing/services for persons who are homeless
- Provide public services
- Improve public facilities and infrastructure improvements
- Provide housing and services for persons living with HIV/AIDS and their families
- Support Economic Development
- Planning and Administration

2018 Annual Action Plan

- Implements the goals established in the Five Year Plan
- Establishes the budget for funding

Contact Us



City of Jersey City
Division of Community Development

30 Montgomery Street, Suite 404
Jersey City, NJ 07302

201-547-6910

Sign up for DCD Program
Announcements at

<http://eepurl.com/b4wGYL>

Visit our website at

<http://bit.ly/jccommunitydevelopment>